

VZCZCXYZ0020  
RR RUEHWEB

DE RUEHPE #1830 1311941  
ZNR UUUUU ZZH  
R 111941Z MAY 06  
FM AMEMBASSY LIMA  
TO RUEHC/SECSTATE WASHDC 0401  
INFO RUEHBO/AMEMBASSY BOGOTA 3376  
RUEHQT/AMEMBASSY QUITO 0327  
RUEHLP/AMEMBASSY LA PAZ MAY SANTIAGO 0508  
RUEHCV/AMEMBASSY CARACAS 9428  
RUEHBU/AMEMBASSY BUENOS AIRES 2387  
RUEHME/AMEMBASSY MEXICO 3324  
RUEHBR/AMEMBASSY BRASILIA 6734  
RUCPDO/DEPT OF COMMERCE WASHINGTON DC  
RUEATRS/DEPT OF TREASURY WASHDC  
RHEHAAA/NATIONAL SECURITY COUNCIL WASHINGTON DC

UNCLAS LIMA 001830

SIPDIS

SENSITIVE  
SIPDIS

DEPT FOR WHA/AND, WHA/EPSC, EB/TPP/BTA, EB/IFD/OFD, EB/CBA,  
EB/IFD/OIA, L/CID  
TREASURY FOR OASIA/INL  
COMMERCE FOR 4331/MAC/WH/MCAMERON  
USTR FOR AUSTR EEISSENSTAT AND BHARMAN

E.O. 12958: N/A

TAGS: [EINV](#) [ETRD](#) [ECON](#) [PGOV](#) [PREL](#) [PE](#)  
SUBJECT: PAYMENT OF LETOURNEAU SETTLEMENT DELAYED

REF: LIMA 1263 and previous

11. (SBU) Summary. GOP Disputes Coordinator Aurelio Loret de Mola informed us May 11 that the GOP will be unable to pay LeTourneau its \$10 million settlement by the May 15 deadline due to procedural delays. The Peruvian Government will issue a Supreme Decree regarding payment and will send the supplementary budget bill to the Economic Commission of Congress on May 12. Loret de Mola indicated that the Commission should approve the bill, sending it to the Congressional Plenary for a possible vote by May 22. Loret de Mola will contact LeTourneau with the news as soon as the Supreme Decree is published. End Summary.

12. (SBU) After LeTourneau's attorney accepted Peru's compensation offer on March 30, the payment of the approximately \$10 million settlement appeared to be on track for the May 15 deadline (reftel). Aurelio Loret de Mola, Peru's Disputes Coordinator, informed us on May 11 that, due to procedural delays, the GOP would have to defer payment to LeTourneau until after the Peruvian Congress approves the supplemental budget.

13. (SBU) The GOP, according to Loret de Mola, will issue a Supreme Decree on payment on May 12 and will simultaneously send the supplemental budget bill to the Economic Commission of Congress for a vote. He estimates that the Commission will approve the supplemental budget -- which is the last budget request of the Toledo Government -- sending it next to the Congressional Plenary for a vote. Under the best-case scenario, the plenary vote would occur the week of May 122. Once Congress approves the budget, the GOP will issue an immediate payment to LeTourneau.

14. (SBU) Comment: Loret de Mola indicated that he will discuss the latest developments with LeTourneau's attorney on May 12, after the Supreme Decree is published. We will also contact LeTourneau to provide further clarification of the process. We are confident that the Peruvian Congress will approve the budgetary request and will issue payment to LeTourneau, concluding this ATPDEA dispute after more than 35 years. End Comment.

